



ESPN Thematic Report on Access to social protection of people working as self-employed or on non-standard contracts

Spain

2017

Rodríguez-Cabrero, Arriba, Marbán, Montserrat and
Moreno-Fuentes
January 2017



EUROPEAN COMMISSION

Directorate-General for Employment, Social Affairs and Inclusion
Directorate C — Social Affairs
Unit C.2 — Modernisation of social protection systems

Contact: Giulia Pagliani

E-mail: Giulia.PAGLIANI@ec.europa.eu

*European Commission
B-1049 Brussels*

European Social Policy Network (ESPN)

**ESPN Thematic Report on
Access to social protection of
people working as
self-employed or on
non-standard contracts**

Spain

2017

Gregorio Rodríguez Cabrero (Coordinator), University of Alcalá (Madrid)

Ana Arriba González de Durana, University of Alcalá (Madrid)

Vicente Marbán Gallego, University of Alcalá (Madrid)

Julia Montserrat Codorniu, Centre of Social Policy Studies (Barcelona)

Francisco Javier Moreno Fuentes, IPP, CSIC (Madrid)

The European Social Policy Network (ESPN) was established in July 2014 on the initiative of the European Commission to provide high-quality and timely independent information, advice, analysis and expertise on social policy issues in the European Union and neighbouring countries.

The ESPN brings together into a single network the work that used to be carried out by the European Network of Independent Experts on Social Inclusion, the Network for the Analytical Support on the Socio-Economic Impact of Social Protection Reforms (ASISP) and the MISSOC (Mutual Information Systems on Social Protection) secretariat.

The ESPN is managed by the Luxembourg Institute of Socio-Economic Research (LISER) and APPLICA, together with the European Social Observatory (OSE).

For more information on the ESPN, see:

<http://ec.europa.eusocialmain.jsp?catId=1135&langId=en>

***Europe Direct is a service to help you find answers
to your questions about the European Union.***

Freephone number (*):

00 800 6 7 8 9 10 11

(*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

LEGAL NOTICE

This document has been prepared for the European Commission, however it reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

More information on the European Union is available on the Internet (<http://www.europa.eu>).

Contents

SUMMARY.....	4
1 CONTEXT: SELF-EMPLOYMENT AND NON-STANDARD WORK RELATIONSHIPS IN THE NATIONAL ECONOMY AND LABOUR MARKET	6
1.1 Self-employment.....	6
1.2 Non-standard work.....	9
2 DESCRIPTION AND ASSESSMENT OF SOCIAL PROTECTION PROVISIONS FOR THE SELF-EMPLOYED AND PEOPLE EMPLOYED ON NON-STANDARD CONTRACTS.....	11
2.1 Description of social protection provisions for the self-employed and people employed on non-standard contracts (see Annex 1)	11
2.1.1 Healthcare and sickness: cash benefits and benefits in kind	14
2.1.2 Maternity/paternity cash benefits and benefits in kind	16
2.1.3 Old-age and survivors' pensions	16
2.1.4 Unemployment benefits and social assistance benefits	18
2.1.5 Long-term care benefits	19
2.1.6 Invalidity, accidents at work and occupational injuries benefits.....	19
2.1.7 Family benefits.....	19
2.2 Assessment of the existing social provisions and of the impact of possible extension of their coverage.....	20
3 CONCLUSIONS AND RECOMMENDATIONS.....	22
ANNEX 1	24
ANNEX 2	28
REFERENCES	37

Summary

Self-employment in Spain plays a significant role in the economy, accounting for 17.6% of the total of workers affiliated to the Social Security system in the first half of 2016. Self-employed workers have full access to most social benefits including healthcare, long-term care, family and sickness benefits. They also have access to certain unemployment benefits, as well as to insurance against invalidity, accidents at work and occupational injuries.

As far as **non-standard workers** are concerned, the traditionally high number of temporary **workers** dropped dramatically between 2009 and 2011, because they were especially affected by the economic crisis. Conversely, part-time work, which was traditionally less common before 2012, significantly increased and became more diverse. Fixed-term contracts covered 25.7% of the total employees in 2016. A significant development worth highlighting is the increase in the volume of workers with temporary part-time contracts, particularly among women.

There has been a **growing convergence in access to all social benefits** since 2007. The Self-Employed Work Statute of 2007, and the 2013 reform of social protection for part-time workers regarding pensions, have increased convergence between the Special Scheme for Self-Employed Workers (*Régimen de Trabajadores Autónomos de la Seguridad Social*, hereafter 'the RETA scheme') and the General Scheme of Social Security (hereafter the 'general scheme'), and improved the social protection of the self-employed.

This convergence in the access to and coverage of social protection cannot hide the fact that certain factors – such as income instability among some self-employed workers and the low income of workers with temporary part-time contracts – lead to differences in the degree of social protection that affect unemployment insurance coverage as well as the adequacy of future pensions.

Our assessment of the coverage of social protection allows us to highlight the following conclusions:

- In the case of self-employed workers, social security contributions are low, thus generating a potential problem of financial sustainability for the RETA scheme. Less than a quarter of 'physical' self-employed workers (see section 1.1) pay contributions towards unemployment benefits. The pensions of the self-employed are much lower than those available under the general scheme.
- Workers with non-standard contracts are found in all sectors of production, many of them included in the general scheme. This is a consequence of the trend towards greater flexibility and precariousness in the Spanish labour market, accompanied by low salaries and low work intensity. Although social protection for this growing group became more comprehensive in recent years, mainly in the case of part-time contracts, there is still room for improvement.

Recommendations

For the self-employed, the following improvements should be applied: a) bringing insurance contribution bases into line with the real income of self-employed workers; b) enabling supplementary contributions to be made at any time during the working life; c) eliminating the age limit for the choice of contribution bases (currently 47 years); d) reinstating compulsory contributions for unemployment and occupational contingencies; e) extending the coverage of the 'cessation of activity' benefit by assimilating it to that of workers in the general scheme; and (f) promoting the 'second pillar' to enable a higher retirement pension.

In the current economic situation, and in a system where 86% of self-employed workers choose the minimum contribution base (in order to pay lower contributions), it is difficult to make substantive changes without a pact between affected groups – unions, government and business organisations.

Better social protection is needed for employees on non-standard contracts, in particular part-time fixed-term workers and domestic employees (many providing informal care for persons in situations of dependency). Social protection in respect of part-time contracts needs general improvement, as a majority of those who sign this kind of contracts are forced to do so.

Finally, measures of positive discrimination in some social security schemes focus on reducing contribution rates rather than on emphasising the need for increased payment of contributions or extended benefit coverage, thereby leading in the long run to higher poverty rates in the groups concerned.

1 Context: self-employment and non-standard work relationships in the national economy and labour market

The economic and financial crisis in Spain has consolidated patterns of change in the labour market that were already present before 2008, specifically regarding self-employment and the different forms of non-standard work (generally of a temporary nature). These changes have elicited a public policy response through reforms in the social protection of both of these groups.

In order to understand the economic and institutional context emerging since the onset of the crisis in 2008, and especially since 2010, we have based our research on an analysis of regulatory changes and secondary sources, as well as on interviews conducted with managers of large organisations of self-employed workers¹ and trade unions².

1.1 Self-employment

Self-employment in Spain is almost entirely integrated into the RETA scheme³. In the second quarter of 2016 this scheme covered 18.4% of the total of workers affiliated to the Social Security system (compared with 17.6% in 2008)⁴.

The economic crisis resulted in a 3.2% decline in the number of self-employed workers affiliated to Social Security system between the end of 2008 (3,338,464) and the second quarter of 2016 (3,231,941). 2012 was the year with the lowest figure (3,093,837).

Self-employed workers are divided into two major groups: 'physical persons', who represented 61.4% of the total in 2016, and the group called 'associates' (*societarios*), representing the remaining 38.6%⁵ (see Table 1 in Annex 1 and Table 3 in Annex 2). Much of the political debate on social protection focuses on the first group, because those concerned incur a present and future risk to personal assets in the conduct of their business. The vast majority of the self-employed who are physical persons do not have employees (81% in 2008 and 78.1% in 2016). Of those who do have employees, around 53% employ only one worker. Men account for 65.3% of physical persons. Almost one-half (45.5%) of the group was aged between 40 and 54 in 2016, with around one-quarter aged over 55.

¹ Interviews were conducted with Eduardo Abad Sabaris, Secretary General of the Union of Self-Employed Professionals and Workers (UPTA - *Unión de Profesionales y Trabajadores Autónomos*, www.upta.es) and Celia Ferrero (responsible for institutional relations at the National Federation of Self-Employed Workers, ATA, www.ata.es).

² Interviews were carried out with Martín Hermoso (General Union of Workers - *Unión General de Trabajadores* - UGT) and Carlos Martín (Workers Commission – *Sindicatos Comisiones Obreras*).

³ Self-employed workers in the Sea Special Scheme are also included in the RETA scheme (see Table 3 in Annex 2, footnote 2).

⁴ Self-employed workers totalled as many as 4 million in the 1970s. The modernisation of the agricultural sector explains the reduction to the current figure.

⁵ 'Self-employed physical persons' are individual workers who personally perform an economic activity. 'Associates' (*societarios*) are self-employed people who organise their activities through an institutional legal umbrella such as commercial companies, family collaborators, family of partners, or members of professional bodies.

Table 1. Self-employed workers in Spain, 2016 (Q2)

	Total	% of self-employed	% of physical persons	% Change 2008/2016
Total self-employed population	3,231,941			-3.2
1. Physical persons (2)	1,984,268	61.4		-7.3
1.1 Without employees	1,549,871		78.1	-10.4
1.2 With employees	434,397		21.9	+5.5
2. Other self-employed workers	1,230,826	38.6		+3.4
Self-employed economically dependent (TRADE)	10,250		0.5	
Self-employed who pay social security contributions by reference to the minimum base	1,709,323	66.9		
Self-employed physical persons who pay social security contributions by reference to the minimum base	2,154,586		86.1	
Self-employed physical persons by sex and age group (% of physical persons)				
Men			65.3	
Women			34.7	
Under 25			1.9	
25-39			27.4	
40-54			45.5	
55 +			25.2	

Source: Spanish Ministry of Employment and Social Security.

The overwhelming majority of the self-employed work in the service sector (73% in 2016 4Q), mostly concentrated in commerce and hospitality), with agriculture (11.9%), construction (10.6%), and industry (4.5%) accounting for the rest.

The majority (86%) of physical persons pay social security contributions at the minimum level, which is reflected in lower pensions compared with other workers⁶.

During the peak of the economic crisis, between 2007 and 2014, no significant changes took place in relation to working time: in 2014, only 14.5% of self-employed workers had working days amounting to fewer than 35 hours per week (the EU average in that year was 26.3%). Nor was there any significant change in the rate at which people moved from unemployment into self-employment, although it was higher in 2014 than in 2007 (Fondeville *et al.* 2015).

Self-employment in Spain has undergone major **institutional changes** since the adoption of the Law 20/2007 on the Self-Employed Work Statute in 2007, some of them recent (Law 31/2015). The new regulatory framework is designed to give the same level of social protection to employees and the self-employed. Changes included:

- Voluntary insurance contributions can now be made to protect against occupational diseases, the cessation of activity, and the risk of accidents at work (insuring against the latest risk is compulsory for the economically dependent self-employed – *trabajador autónomo económicamente dependiente*, hereafter 'TRADE workers').

⁶ The average monthly pension under the RETA scheme is €620.20, compared with €886.80 for the general scheme (about 30% lower) (MEYSS, 2016).

- The TRADE worker professional insurance scheme is now regulated (see 2.1.A).
- 'Agreements of professional interest', or collective agreements between associations of the self-employed and private companies, have been created to guarantee the development of the activity of TRADE workers.
- The Self-Employed Work Council has been created.
- The reconciliation of professional and family life is now regulated.
- Unemployment benefit rules are now adapted to self-employment. The benefit can be capitalised at the start of self-employed activity. It can also be made as a single payment in cases of cessation of activity in order to help start another activity or participate in a commercial activity as a partner.
- The law now also allows payment of a retirement pension in combination with part-time self-employment (Law 14/2013).

Spanish legislation has sought to foster and promote entrepreneurship and self-employment in recent years by improving social protection and other incentives. Law 20/2007, which established the Self-Employed Workers Statute, is a good example of this, since it included new incentives in the form of exemptions, reductions or subsidies in relation to social security contributions (Title V of Law 20/2007).

These incentives include a broad package of reductions in insurance contributions in relation to 'common contingencies' (of different amounts according to the contribution base) for workers who register for the first time, or who have been deregistered from the RETA scheme during the five previous years (with additional subsidies for those under 30, or for women under 35), as well as for workers with disabilities, and victims of gender violence or terrorism. Subsidies have also been introduced in the case of maternity/paternity leave, or the reconciliation of work and family life, for replacement workers' contracts. In addition, it is now possible to fully or partially capitalise unemployment or cessation of activity benefits in the case of people who invest it in the development of a new business. A third measure worth highlighting is the possibility for those receiving contributory unemployment benefits who register with the RETA scheme to continue receiving the benefit for a maximum of 270 days while working self-employed (whenever requested within 15 days).

Self-employed and employed workers experienced a relative and growing convergence in terms of social protection since 2007, with only some small differences that we will address in section 2.1. Furthermore, there is a growing interchangeability between these two groups, a case in point being TRADE workers, who are both self-employed and economically dependent (Riesco-Sanz, 2016).

Self-employed workers, especially physical persons, constitute a vulnerable group to the extent that the economic and financial crisis caused a drop in demand, increased the difficulties of accessing credit, and fostered defaults (especially on the part of the public sector). According to EU-SILC data for Spain, in 2015 27.5% of 'employed persons other than employees' (i.e. the self-employed) were at risk of poverty or social exclusion, whereas that rate was 13.2% among employees. It seems that income vulnerability was the main problem, as the at-risk-of-poverty rate among employed persons other than employees (26.2%) more than doubled that for employees (10.4%). Conversely, the severe material deprivation rate was higher among employees (4.1%) than among employed persons other than employees (2.1%) (see Table 6 in Annex 2 for more detailed information on the evolution of these rates between 2008 and 2016).

This economic and financial context conditioned the economic stability and welfare of self-employed workers in various ways:

- Firstly, the exploitation of TRADE worker contracts by some companies has led to 'hidden labourisation', with self-employed workers made subject to hourly supervision and other company norms⁷, or even bogus self-employment⁸. Only in cases where an 'Agreement of Professional Interest' (see above) is in place, is there a guarantee that contracts are duly registered and controlled.
- Secondly, the crisis has caused people to turn to self-employment as an act of desperation or as a refuge from unemployment. This has contributed to a high rate of turnover in the self-employed sector (estimated at around 25% for registrations and de-registrations each year, generally offsetting each other), along with fluctuations in economic demand, according to the organisations consulted.
- Thirdly, the crisis has adversely affected the financial capacity of self-employed workers. For example, before the crisis there were one million short-term credit facilities to deal with short-term cash problems, but those facilities have now almost disappeared. As a result, self-employed workers need third-party guarantees, or else risk their personal assets, in order to access short-term credit. In addition, the Royal Decree-Law 1/2015 prevents failed enterprises offsetting debts owed to the public sector against payments due by the latter to self-employed workers.

In this dual context of positive institutional changes and an adverse economic and financial environment, organisations representing the self-employed have tried to reach agreements with all political parties⁹ to try to improve the conditions of financing, training and social protection so as to promote entrepreneurship and to reduce the incidence of bogus self-employment. Since September 2015 (Law 31/2015, art. 31) improved incentives for self-employment were introduced, with lower social insurance contributions for new self-employed workers (especially those under 35 years old and women), to promote both promote entrepreneurship and to limit bogus self-employment¹⁰.

1.2 Non-standard work

According to the existing literature and consultation with the trade unions *Unión General de Trabajadores* (UGT), and *Comisiones Obreras* (CCOO), the following atypical or non-standard contracts are recognised in Spain: part-time employee, fixed-term employee, temporary agency worker, casual and seasonal worker, on-call worker, apprentice and paid trainee (see Table 4 in Annex 2).

The Spanish model of labour recruitment has been characterised by three features since the 1980s: the increased incidence and diversity of atypical contracts, the overwhelming majority of which are temporary; reductions in social security contributions to facilitate employment creation, especially for vulnerable groups, combined with fiscal benefits in the case of contracts that promote entrepreneurship; and finally, increased uncertainty in the duration of temporary contracts, with almost one-half of fixed-term workers (45.5%) not knowing the future duration of their employment (González-Gago and del Río, 2016). Part-

⁷ According to the two large organisations consulted, TRADE workers account for only 2-5% of the total self-employed population. Official figures for 2016 2Q put the figure even lower, at 0.5% of employed persons, or just 0.3% of the total self-employed (10,250 in total).

⁸ According to the report of the EC-funded project TRADE REF n° VS/2012/0434, it is estimated that in the case of Spain 0.78% of self-employed workers can be considered bogus.

⁹ Agreements between the Spanish Socialist Workers Party (*Partido Socialista Obrero Español*) and the Citizens (*Ciudadanos*) party (March 2016), and between the People's Party (*Partido Popular*) and *Ciudadanos* (Agosto de 2016) for the investiture of the president of the government.

¹⁰ In November 2016, the Spanish Parliament unanimously approved a legislative initiative that expands the flat-rate €50 contribution to a larger group. It also reduces the penalties for delayed social security payments; subsidises 100% of the maternity contribution; and allows the deduction of water and electricity activity expenses.

time employment traditionally played a minor role in the Spanish labour market, and around 80% of part-time jobs were occupied by women. However, since 2008, the economic crisis has led to some changes: the share of fixed-term contracts dropped from 29.3% of all employees in 2008, to 25.7% in 2016, and part-time work increased instead, involving more men (see Table 4 in Annex 2). In 2015 at-risk-of-poverty rates among fixed-term and part-time workers were much higher (23.3% and 27.1%, respectively) than for employees in general, highlighting their economic vulnerability (see Table 6 in Annex 2).

Table 2. Non-standard workers in Spain by type of contract, sex and age, 2016 (Q2)

		Total (thousand)	% of employees	% by sex		% by age			
				M en	Wom en	16- 24	25- 39	40- 59	60 and more
	Employees	15,187.8	100.0	52 .2	47.8	4,9	38, 5	51, 6	5
Standard	Open-ended/Permanent employees	11,281.3	74.3	52 .5	47.5	1,9	35, 1	57	6
	Fixed term	3,906.4	25.7	51 .2	48.8	13. 4	48. 2	36. 2	2.1
	Part-time workers	2,801.1	15.3 (% of employed)	27 .7	72.3	11. 2	39. 4	43. 2	6.2
Non- standard	Employees part-time	2,584.4	14.8	26 .4	73.6				
	o Open-ended	1,396.8	8.2	19 .2	80.8				
	o Fixed-term	1,131.7	6.6	35 .3	64.7				

Source: Spanish Labour Force Survey (LFS) 2008-2016, National Institute of Statistics (INE)

The reforms implemented in the labour market and the social protection system since 2008 have been conditioned by high unemployment rates and (from 2012) by fiscal consolidation policies. As early as 2011, the limitation on the duration of temporary contracts to two years in all cases under the Workers' Statute was suspended to facilitate employment creation (Royal Decree-Law 10/2011). It was abolished altogether by the labour reform of February 2012. The latter promoted greater flexibility in the labour market, leading to a progressive increase in the incidence of fixed-term contracts and, in particular, temporary contracts for part-time employment.

Legal reforms have been introduced to improve access to social protection for the following non-standard workers:

- Since August 2013 (Royal Decree 11/2013)¹¹, a new and more favourable way of calculating social security contributions has been used in relation to old-age and survivors' pensions, as well as temporary incapacity, invalidity, maternity and paternity cash benefits (but not unemployment) for part-time workers¹². The

¹¹ This initiative was the result of the agreements between the social partners and the government after the meeting held on July 31st. 2013 (Panizo-Robles, 2013).

¹² Includes part-time relief workers and fixed-discontinuous contracts, as well as part-time or fixed-discontinuous workers belonging to the Special System for Domestic Employees. 'Fixed-discontinuous contracts' are established by article 16 of the Spanish Workers' Statute; they constitute an open-ended type of contract of a permanent nature for seasonal jobs in which work is carried out intermittently, and with start and end dates not exactly defined (Mella Méndez, 2012). Further details at: <https://goo.gl/AusFD2>.

calculation is no longer carried out using an equivalence with a full working day, but by applying a general rate of part-time work (*coeficiente global de parcialidad*)¹³.

- Apprentices and paid trainees have to face a unique monthly social contribution rate that grants them access to all benefits, including unemployment benefit.

In 2013 the social dialogue process resulted in an agreement to improve the conditions of access to social protection for part-time workers¹⁴. The starting point for this reform was a ruling of the Court of Justice of the EU¹⁵. As a consequence of this agreement, social security legislation was amended, as explained below in section 2.1. This improvement covers part-time relief contracts and fixed-discontinuous contracts (see footnote 12), and incorporates contracts of these types into the special scheme for domestic employees. It should be noted that improved social protection for these types of contract mainly benefits working women (the main group among part-time contracts and part-time fixed-discontinuous contracts).

One of the weaknesses of employment creation in Spain in the last three years, according to the trade unions consulted, is the abuse of part-time contracts, and the increased incidence of contracts of less than one week. This points to the need for further reforms to improve social protection for workers under this type of contract, as well as others on fixed-discontinuous contracts, with respect to unemployment insurance and the contributory period required for accessing a pension.

2 Description and assessment of social protection provisions for the self-employed and people employed on non-standard contracts

2.1 Description of social protection provisions for the self-employed and people employed on non-standard contracts (see Annex 1)

The Spanish social protection system is hybrid in nature, combining different approaches to social protection. Some schemes are universal according to need (such as long-term care), while some others are means-tested (non-contributory pension and unemployment benefits, as well as 'Minimum Income Schemes' -MIS-). But the main pillar of the system is contributory benefits (old-age and survivors' pensions, benefits linked to invalidity, accidents at work/occupational injuries, and unemployment). As a result, the main differences in social protection as between different employment groups relate to contributory benefits.

A) General overview of access to social protection

Self-employed workers

Spanish legislation defines self-employed workers as those "physical persons who carry out an economic or professional activity for profit on a regular, personal, direct and freelance basis and outside the sphere of management and organisation of another person, irrespective of whether they hire employed workers or not" (Title I, Law 20/2008). This definition extends to family workers, and to members or certain executives of companies

¹³ For example, before August 2013, a part-time worker working half-days throughout his/her life needed to pay contributions for 30 years to be equivalent to the 15 years required for full-time workers. After August 2013, this worker would have a rate of part-time work of 50% (because his working day is half that of a full day's work) so his/her minimum contribution period would no longer be 15 years but 7.5 years full time. If that rate was 70%, it would have to certify 10.5 years of contributions. The calculation of this rate is described in Art. 247 of the General Law on Social Security (RD 8/2015, of 30 October).

¹⁴ This Agreement was signed on 31 July 2014 by the Spanish government, business organisations and the trade unions UGT and Workers Commissions.

¹⁵ Ruling of TSUE of 22 November 2012: 'Eibal Moreno Case' on discrimination against a female part-time worker over retirement pension provision.

of different types. It specifically defines TRADE workers as those self-employed workers whose economic activity is carried out for a single client on which they depend for at least 75% of their income; who do not employ third parties; who have their own productive infrastructure; are organisationally independent; and whose income depends on the work carried out (Title III, Law 20/2007 and Royal Decree 197/2009).

Self-employed persons are required to register with the social security system, where they are included in the RETA scheme (Title IV of the General Law on Social Security, Royal Decree 8/2015). This scheme also includes professionals, associate workers or cooperative members; and, since 2008, self-employed agricultural workers (Law 18/2007).

Self-employed people have similar access to social protection as those insured under the general scheme (subject to some specific arrangements, as described in sections 2.1.1 to 2.1.7) and are entitled to the following benefits:

- a) In-kind benefits: healthcare in cases of maternity, common or occupational disease, and accidents (whether work-related or not).
- b) Cash benefits: in case of temporary incapacity, pregnancy, maternity, paternity, breastfeeding, permanent invalidity, old-age, widowhood, and having dependent children.

Insurance against temporary incapacity due to common illness ('common contingencies') is mandatory for all RETA workers (including TRADE workers), although it is voluntary for self-employed agricultural workers. Insurance against occupational contingencies, including temporary incapacity due to an accident at work or an occupational disease, is voluntary for the self-employed except for TRADE workers, for whom it is compulsory. Finally, insurance against cessation of business activity is voluntary for all self-employed workers.

Non-standard workers

Non-standard (fixed-term and part-time) work in Spain is embodied in many different kinds of employment contract (see MEYSS-SEPE, 2016) with various characteristics and provisions, although all of them involve workers' participation in the general social security scheme. Therefore, in general terms, the social protection of workers on non-standard contracts comprises the same benefits, and is subject to similar requirements in relation to minimum contributions (i.e. continuity and amounts), as that of standard workers (on permanent full-time contracts). However, given that the level of the main social benefits is linked to contributions, non-standard workers may end up receiving lower benefits or facing greater difficulties in meeting the required contribution minimums. Levels of protection are weakest for workers with fixed-discontinuous, part-time contracts whose periods of inactivity and shorter working hours stringently limit the accumulation of contribution periods¹⁶.

It should be noted that the main differences in access requirements, levels and duration of social protection benefits are not established by reference to contract type but instead derive from the different social security schemes. In addition to the special scheme for self-employed workers, there are schemes for sea and coal industry workers, while other groups (including artists, bull fighters and sales representatives) and special systems

¹⁶ For example, they are required to pay the same contributions as other workers, for a minimum of 12 months, to be allowed to claim unemployment benefits.

(agricultural employees¹⁷, domestic employees¹⁸, extraordinary hotel industry workers, canning industry workers and other groups¹⁹) have been integrated in the general scheme:

B) Funding for social protection for the self-employed and non-standard workers.

Most of the main social benefits are financed by social contributions (the exceptions are healthcare and long-term care, which are financed by taxes). The conditions of access for self-employed and non-standard workers are similar to those for other workers. Nonetheless, contributory benefits are designed on the basis of a stable and continuous income over time, which is not always available to self-employed and non-standard workers. Although the system may cover them, in practice their income instability limits their access to benefits.

For self-employed and non-standard workers, there are differential contribution rates and bases (see Table 5 in Annex 2), the characteristics of which are highlighted below²⁰.

Self-employed workers

Contribution bases: the minimum base for the self-employed (including TRADE workers) was €893.10 per month in 2016, which was higher than that of workers under the general scheme (€764.40). The maximum bases were the same (€3,642).

Contribution rates: workers under the general scheme have a contribution basis calculated according to their salary and professional category with fixed contribution rates²¹. In contrast, the self-employed included in the RETA scheme can choose a contribution base between a minimum and a maximum base, except for those over 47 who must pay contributions above the minimum base. However, they have fixed contribution rates higher than under the general scheme²². Self-employed agricultural workers have the same contribution basis as in the RETA scheme but with variable and lower contribution rates (between 18.75% and 26.50%) depending on the chosen contribution base. Mobile traders may opt for minimum bases lower than in the RETA scheme (€491.10, €764.40 or €893.10 per month).

Self-employed workers benefit from various subsidies to their social security contributions²³, of which the following may be highlighted: a) a €50 monthly flat-rate reduction for the newly self-employed for a period of six months²⁴; b) tapered reductions of 50% and 30% in the following 12 months²⁵; and c) other subsidies for reduced working hours due to the care of children under 7 years of age or other dependants; for new

¹⁷ To be in this system, it is necessary to carry out a minimum of 30 days work in any one year. These workers are often atypical, as they combine periods of labour activity and inactivity.

¹⁸ Integrated in the general scheme since 2012. Further details at <https://goo.gl/3VXYpf>. In other cases, such as domestic employees, there is no right to unemployment benefits (Art. 251, General Law on Social Security).

¹⁹ These systems are governed by the common rules of the general scheme but have a special contribution system, with subsidised bases and contribution types that are better attuned to non-standard work. For example, most agricultural and domestic employees are on fixed-discontinuous contracts. Further details at: <https://goo.gl/IFz1eh>

²⁰ Further details on contribution rates and bases as well as subsidies are available in the 2016 Guide to Contributions at: <https://goo.gl/fgC8rf> and <https://goo.gl/wFq6Ev>.

²¹ In 2016, it was 28.3% for common contingencies (4.7% contributed by the worker, and 23.6% by the employer); for unemployment it was 7.05% (1.55%, and 5.50% respectively).

²² The contribution base may be changed twice a year, before 1 May and 1 November of each year.

²³ There is a complex variety of subsidies. Additional details are available in Articles 31 to 39 of Law 31/2015, of 9 September and through the following links: <https://goo.gl/MrPVua> and <https://goo.gl/EfrH4X>.

²⁴ Extendable by six additional months for persons with disabilities or victims of gender violence or terrorism.

²⁵ For those under 30 years of age or women under the age of 35, the 30% subsidy is extended by 12 additional months with a maximum of 30 months.

registrations among the family members of self-employed persons; or for self-employed workers engaged in more than one activity.

Non-standard contracts

There are some differences in contributions²⁶ and rates compared with those applying to standard contracts:

- The contribution rate for unemployment insurance for those on fixed-term contracts (8.30%)²⁷ is higher than for full-time contracts (7.05%).
- In part-time contracts, the minimum contribution bases are established on an hourly basis (between €4.60 and €6.43 per hour depending on the professional category).
- Apprentices and paid trainees have the same minimum base as those on full-time contracts, but may have reductions in contributions of between 75% and 100%. In cases where they are unable to benefit from the reduction, they have a fixed, lower contribution of €95.31 per month.
- Domestic employees have lower contribution rates. They make no contributions for unemployment insurance, as they are not covered for this risk.
- Agricultural employees, during periods of inactivity, must contribute 11.5% (paid by the worker) on a monthly basis of €764.40 (the minimum base for the general scheme). Contributions in these periods for common contingencies are at a higher rate than in the general scheme (between 22.45% and 28.3%) and are borne both by the worker and the employer. The contribution bases are the same as those in the general scheme.

C) Coverage of social protection (See Table 1 and 2 in Annex 1)

2.1.1 Healthcare and sickness: cash benefits and benefits in kind

Self-employed workers

In the context of the current economic crisis, the reforms introduced in the SNS in 2012 radically altered what had been the functioning of the system since the 1986 *Ley General de Sanidad*. The 16/2012 Royal Decree of "Urgent Measures to Insure the Sustainability of the SNS"²⁸ meant a radical change in the philosophical foundation of the SNS by reverting its universalistic ethos, and re-introducing a logic of insurance in the definition of entitlements²⁹. In this context, self-employed workers have access to healthcare services as insured persons.

Nevertheless, healthcare continues to be financed through general taxation, and it includes medical coverage in cases of maternity, common or professional illness and accidents, whether or not work-related, and pharmaceutical coverage (the latter with income-related co-payment)³⁰.

²⁶ There is also a complex set of contribution subsidies for the different types of contract, details of which can be found on pages 141-151 of the 2016 Guide to Contributions (<https://goo.gl/nclWqK>) or through the following link: <https://goo.gl/mB1hqC>.

²⁷ Except in trainee, relief or interim contracts or contracts involving workers with disabilities, which are the same as for full-time contracts (7.05%).

²⁸ <http://goo.gl/ILEV6r>.

²⁹ Originally based on residence in the territory, this regulation re-introduced the logic of social insurance by establishing the categories of "insured persons" (workers, pensioners, unemployed persons receiving benefits, and job seekers), and "beneficiaries" (spouses and younger than 26 siblings of "insured" persons).

³⁰ Further details at: <https://goo.gl/kKguXR>.

Sickness benefits (including the benefit for the care of children affected by cancer or another serious illness, and the benefit for temporary incapacity (TI) due to an accident at work, occupational disease or common illness)³¹ are contributory benefits.

Insurance is compulsory in respect of the benefit for the care of children affected by cancer. The RETA scheme covers self-employed workers under the same regulations and conditions as in the general scheme³².

Regarding the benefit for TI, conditions and regulations for self-employed workers are similar to those in the general scheme³³, albeit with the following differences:

- In the case of TI due to common illness, insurance is compulsory for those in the RETA scheme and TRADE workers, but voluntary for self-employed agricultural workers³⁴.
- For TI due to an accident at work or an occupational disease, insurance is voluntary except for TRADE workers and mobile traders³⁵.

Non-standard workers

Healthcare benefits in kind cover non-standard workers in the same way as self-employed workers, linked to their condition of insured persons, and with the same regulations and conditions as the rest of contributors to the social security system.

In relation to the benefit for the care of children affected by cancer, coverage is the same as for standard workers. Part-time workers are entitled to this benefit but only if they work more for than 25% of a working day³⁶.

Regarding the cash benefit issued for temporary incapacity, non-standard workers are subject to similar conditions as those for standard workers under the general social security scheme in relation to amounts, contributions and duration (see footnote 35), with the following exceptions:

- In the case of part-time workers, the general minimum period of contribution (which for standard workers is a total of 180 days over the previous five years) is adjusted by applying the general rate of part-time work over that period. If someone simultaneously carried out more than one part-time activity, the total number of days of contributions cannot exceed that of a full-time worker.
- Workers in the special system for agricultural employment are excluded from temporary incapacity protection during periods of inactivity.

³¹ The benefit paid during pregnancy and breastfeeding is analysed in the section on maternity/paternity benefits.

³² This benefit is aimed at parents (including adoptive parents and pre-adoptive or permanent foster parents) who reduce their working hours by at least 50% in order to engage in direct, continuous and permanent care of a child affected by cancer or another serious illness that requires long-term hospitalisation. The right to receive the benefit will only be granted to one of the parents.

³³ Amounts depend on the type of illness and time period: for common illnesses, 60% of the calculation basis is received between the 4th and 20th day of sick leave, and 75% from the 21st. For accidents at work or an occupational disease, 75% of the calculation basis is received from the day following the beginning of sick leave. Contributions: when TI is due to common illness there is a minimum contribution period of 180 days during the previous five years. When TI is due to accident at work or an occupational disease there is no requirement regarding the duration of the contribution. The duration of the benefit is limited to a maximum of 365 days, but can be extended by a further 180 days if medical professionals expect a recovery during such period.

³⁴ Further details at: <https://goo.gl/Z5eLn8> and <https://goo.gl/zRwuYQ>.

³⁵ Mobile traders affiliated to the Associated Work Cooperatives and those engaged in street selling for a maximum of three days per week, with sales hours less than eight hours per day, and who do not have a fixed establishment at their disposal.

³⁶ In order to calculate the percentage of hours worked per day, an average of all the working days of part-time contracts are taken into consideration.

- For domestic workers, the TI benefit for common illness is paid directly by the employer between the 4th and 8th day (between the 4th and 15th day under the general scheme) and from the 9th day by the social security organisation³⁷.

2.1.2 Maternity/paternity cash benefits and benefits in kind

Coverage in respect of maternity and paternity is similar for self-employed and non-standard workers to that for workers with standard contracts.

All workers have access to tax-financed public health services in the event of maternity, which includes: medical checks during pregnancy, care during birth and post-natal confinement, in the case of associated complications, hospitalisation in hospitals of the National Health System; and pharmaceutical products (subject to an income-related co-payment).

In general, coverage for maternity and paternity is similar to that for other benefits under the general social security scheme, in relation to both the duration of the leave and the benefit amounts³⁸. Self-employed workers may enjoy part-time rest periods, for which purpose the receipt of the subsidy, and the reduction of the activity, is limited to 50% of the working time. In case of risk during pregnancy³⁹, or while breastfeeding⁴⁰, self-employed workers are in the same situation as workers in the general social security scheme.

For all workers, access to contributory maternity and paternity allowances requires a total of at least 180 days of contributions over the seven years immediately preceding the birth of the child (or adoption or foster care placement) or 360 days of contributions over the whole working life⁴¹. These conditions are particularly onerous for non-standard workers.

Since 2009, employed mothers who are not eligible for the maternity allowance are entitled to a flat-rate non-contributory tax-financed maternity allowance for 42 days (56 in certain cases). Some regional governments have also introduced flat-rate benefits in order to promote parental leave⁴².

2.1.3 Old-age and survivors' pensions

Self-employed workers

Insurance for old-age and survivors' pensions is compulsory for self-employed workers under the RETA scheme, which provides pensions under the same conditions as in the general scheme⁴³. In order to be eligible for survivors' pensions, self-employed persons must be covered against occupational accidents and illness and for the related TI benefit.

³⁷ Prior to its incorporation in the general scheme in 2012, the TI benefit was not received until the 29th day of leave. It now is applied from the 4th day.

³⁸ Maternity leave is available for up to 16 weeks (up to 10 of which may be transferred to the father), and implies an allowance equal to 100% of the salary. Paternity leave is available for up to four weeks (from 1 January 2017), and is also paid at 100% of salary. Greater flexibility is given to women under 21 or working part-time.

³⁹ For expectant mothers who are unable to pursue their normal occupation without endangering their safety or health and/or that of the foetus.

⁴⁰ For working mothers who are breastfeeding and who are unable pursue their normal occupation without endangering their or their child's health. It is paid until the child reaches nine months of age.

⁴¹ These conditions apply to workers over 26 years of age. There are special rules for workers between 21 and 26 years old, and no minimum contribution period is required for workers under 21 years of age.

⁴² Escobedo, A., Meil, G., and Lapuerta, I. (2014) 'Spain country note', in: P. Moss (ed.), *International Review of Leave Policies and Research 2014*. <http://goo.gl/Y6tU2L>.

⁴³ Conditions for old-age pensions are the following: the retirement age in 2016 was 65 if contributions had been paid for more than 36 years, or 65 years and four months if contributions had been paid for less than 36 years; the minimum contribution period is 15 years, at least two of which within the last 15 years of work; the amount of the pension is calculated according to the regulatory base of the last 19 years, and depends on the amount

Partial retirement is not available to self-employed workers⁴⁴. However, voluntary early retirement is possible in the following cases⁴⁵:

- After having paid contributions to social security schemes that recognise the right to early retirement, and subject to fulfilling their other requirements.
- Being at least two years younger than the legal retirement age, and having a minimum of 35 years of contributions (two of those years within the immediately preceding 15 years). The amount of the pension must be higher than the minimum pension to which the worker will be entitled upon reaching 65. Unlike workers under the general scheme, self-employed workers are not eligible for forced early retirement (due to layoffs or crisis situations). The general scheme does make provision for forced early retirement four years prior to the legal age provided workers have contributed for a period of at least 33 years.

Non-standard workers

In general, non-standard workers enjoy similar access to, and levels of, old-age and survivors' pensions to those for standard workers, although in practice they may have lower retirement benefits because their contribution periods also tend to be shorter and not as continuous.

It is possible to combine receipt of the old-age pension, with part-time or full-time work, provided that the normal retirement age has been reached, and that the worker has achieved 100% of the regulatory base for pensions. In these cases, however, the pension benefit is reduced by 50%, and contributions are reduced to an amount to cover temporary incapacity, professional contingencies, and a special solidarity contribution of 8%⁴⁶.

For non-standard workers, the following special conditions apply:

- The period of contributions by part-time workers towards old-age and survivors' pensions is calculated using the general rate of part-time work (*coeficiente global de parcialidad*) described in footnote 13.
- Agricultural employees are subject to the same rules as other workers in matters of flexible retirement, partial retirement and the combining of retirement with work. They may also retire early, either because of involuntary termination of employment or early voluntary retirement, but must fulfil an additional requirement: namely that out of the last ten years of contributions, six must have paid into the special agricultural system. Access to retirement is allowed during periods of inactivity.
- Domestic employees are governed by the same rules as other workers, but retirement conditions are less flexible: early retirement, partial retirement or special retirement at 64 years of age are not provided for. They can benefit from flexible retirement by combining the retirement pension with a part-time contract. Until 2018, they will have a special contribution system for retirement pensions based on the remuneration received and according to working hours. From 2019, contributions will be the same as in the general scheme.

and duration of contributions: 50% with a minimum of 15 years of contributions, and 100% at age 65 with 36 years or more of contributions. For widows' pensions, the minimum contribution period required if the death is due to common illness is 500 days within an uninterrupted period of five years prior to death.

⁴⁴ The General Law on Social Security (Art. 318, RD 8/2015) provides for the partial retirement of self-employed workers under the Special Schemes for Sea Workers and Self-Employed Workers, but this is not yet possible because the regulation has not yet been implemented. <https://goo.gl/9E6GsJ>

⁴⁵ Further details at: <https://goo.gl/rp5YV9>; <https://goo.gl/FpvvMO>

⁴⁶ <https://goo.gl/yTy1LE>

2.1.4 Unemployment benefits and social assistance benefits

In the general scheme, unemployment protection is a mix of different elements: a benefit financed by contributions (7.05% in total, 1.55% paid by the employee and 5.50% by the employer), and a social assistance level of allowance financed by taxes.

Non-standard workers access contributory unemployment benefit under the general scheme according to their contribution history, unemployment duration, age and/or family structure⁴⁷.

The temporary and/or part-time nature of non-standard contracts makes it difficult for the workers concerned to meet the conditions for the contributory benefit, with the result that they often have recourse to means-tested schemes (mainly available to people whose income falls below 75% of the minimum wage): Unemployment Assistance Benefits, Agrarian Unemployment Subsidy and Income, Active Integration Income (RAI, *Renta Activa de Inserción*), Professional Requalification Programme (PREPARA, *Programa de Recualificación Profesional*), and the Employment Activation Programme (PAE, *Plan de Activación para el Empleo*). These schemes stipulate different eligibility conditions and duration of protection depending on previous contributions, family responsibilities, and specific social conditions (disability, gender violence, returning migrants, and age – older than 45)⁴⁸.

Self-employed workers have a specific unemployment protection scheme at their disposal: cessation of business activity benefit for the self-employed. This is a voluntary insurance scheme covering RETA workers and those in the special systems for agricultural workers and sea workers. It is administered either by the Public Employment System, a mutual insurance company, or the Social Institute of the Navy. Eligibility requirements include having contributed for 12 continuous months prior to the cessation of activity, and having the cessation of activity accredited. This benefit is paid for 2-12 months, depending on the number of months of contributions in the previous 48 months, and is slightly higher for workers over 60 years of age. The amount of the benefit is 70% of the regulatory base (established along a minimum and a maximum threshold depending on the number of children of the self-employed worker).

As a measure to promote employment, it is possible to receive the benefit (in whole or in part) in the form of a single payment, in order to help start a work activity or join a work cooperative as an associate.

Both non-standard and self-employed workers who cannot access, or have exhausted their entitlement to, unemployment benefits (both under the general scheme and cessation of activity benefit for the self-employed) can rely on the Autonomous Communities' MIS, which constitute a sort of last-resort social protection safety net. These programmes are heterogeneous and stipulate various eligibility conditions (such as age, how long the household has been together, conditions of residency, and municipal registration) in addition to financial means. These conditions refer to the individual who applies for the benefits, but in certain cases they extend to the household unit. The degree of protection is, with some exceptions, very low and varies quite considerably across the different regional MIS. All programmes aim to guarantee a certain level of income within the household, complementing other potential available resources. The final amount received by each household is calculated by subtracting from the income level granted by this

⁴⁷ The contributory benefit is equal to 70% of previous salary during the first six months of unemployment, and 50% thereafter, provided contributions have been made for a total of more than 360 days over the previous six years. Its duration also depends on previous contributions: it may last for more than one year if contributions have been made for more than 36 months in total over the previous six years.

⁴⁸ The general duration of the benefit is six months (in the RAI scheme 11 months) but it can be extended in special cases. Unemployed workers older than 45 access those benefits under less demanding requirements and for a longer period. In the case of those unemployed over 55 who fulfil all other conditions for retirement, the duration of unemployment benefits is extended until retirement age. The amounts of benefits are normally 80% of the IPREM index but may reach 133% according to the number of dependent family members.

scheme any income already received by the household. There is a maximum amount that any household can receive. The duration of payment of MIS benefits varies quite considerably across the different regional MIS. There is no established transition between the end of unemployment benefits, and access to regional MIS programmes.

2.1.5 Long-term care benefits

Self-employed workers and persons employed on non-standard contracts have the same access to long-term care as other workers. There is a universal individual right to long-term care for all those who, regardless of their age or employment situation, can demonstrate stable residence for at least five years, and one of the degrees of dependency set out in the System for Autonomy and Care for Dependency (SAAD). The system is not financed by contributions, but by means of taxes and by co-payments from beneficiaries according to the type of the service, and their income and assets.

2.1.6 Invalidity, accidents at work and occupational injuries benefits

Self-employed workers

Permanent invalidity benefit for the self-employed is subject to the same conditions as under the general scheme⁴⁹. However, for the benefit to cover accidents at work or occupational disease, it is necessary for the self-employed to have taken out voluntary insurance against those contingencies⁵⁰ (where they are not covered compulsorily). It is also necessary that they have received, previously or simultaneously, coverage for temporary incapacity benefit.

Non-standard workers

The same conditions apply to non-standard workers as under the general scheme. To calculate the contribution period for permanent invalidity benefit in the case of part-time workers, the rate of part-time work is again applied.

For domestic employees, until 2018 the contributions will be calculated according to their remuneration and the work carried out, taking into account only the periods of actual contribution.

2.1.7 Family benefits

Social protection expenditure devoted to families and children in Spain has traditionally been very low. Self-employed and non-standard workers receive mostly the same family benefits as those under the general scheme.

The main child benefit programme is structured around a scheme of non-contributory, means-tested cash transfers for low-income families, financed out of taxes⁵¹.

The scheme includes also a set of birth and adoption grants. Those grants are one-off payments for cases of multiple birth, large families, lone parents or disabled mothers and a universal cash benefit/tax relief for working mothers of children aged 0-3. Total grant spending was €627.5 million in 2014.

⁴⁹ In the general scheme, the amounts and periods of contribution for permanent invalidity are based on the degree of invalidity: 1) in cases of partial invalidity, 24 monthly payments equal to the regulatory base, subject to a minimum of 1,800 days in total of contributions in the previous ten years; 2) for total permanent invalidity, 55% and a contribution period according to age; 3) 100% in cases of absolute invalidity and 4) 145% in cases of severe invalidity. In the case of the last three types, the benefit amount can be 30-50% higher when the work accident or occupational disease occurs in a workplace lacking compulsory prevention systems.

⁵⁰ This complements the compulsory contribution to contingencies.

⁵¹ The beneficiaries of these allowances are parents or persons in charge (permanent fosterage) of a dependent child under 18 years of age (or over if he/she is affected by a degree of disability equal to 65% or more). The monthly amount of the benefit for children under 18 is €24.25, but is higher in cases of disability. No benefits are received when household income exceeds €11,576.83 per year. This ceiling is higher where there are more than three dependent children.

Among family benefits, it is worth mentioning the contributory child raising allowance, available to all employees who take leave to care for a child (born or adopted). Under this allowance, the first three years of parental leave are considered as a period of contribution, and count towards the minimum contribution period required to qualify for retirement, permanent incapacity, maternity and paternity, and survivors' benefits⁵². In the case of self-employed workers the period credited is reduced to two years.

2.2 Assessment of the existing social provisions and of the impact of possible extension of their coverage

a) Assessment of the existing social provisions

1. The economic crisis has promoted the emergence of different types of self-employment, such as the 'economically dependent' or 'intermittent'⁵³ self-employed, resulting in a shortfall of contributions to the social security system. The average monthly contribution base of the self-employed is approximately 36% lower than that of employees in the general scheme. 86.1% of the self-employed do not exceed the minimum contribution base; this figure is more than 90% in the case of those aged under 40, and as much as 97.4% in the case of foreigners. From the age of 55, 30.8% pay higher contributions than the minimum base, reflecting the need to build up old-age pension rights.

Social protection is closely linked to the contribution bases and the types of protected contingencies. The government has been promulgating measures aimed at protecting the most vulnerable and fostering the creation of jobs, but most of the measures have involved a reduction in contribution rates rather than an increase in the contribution bases. One of the most popular measures has been the establishment of a flat-rate contribution rate for the newly self-employed for a certain period of time, together with an increase in subsidies for contributions: but the contribution bases have remained the same and contributions for some types of coverage (cessation of activity and professional contingencies) is voluntary.

The crisis highlighted the lack of protection for self-employed workers, especially their lack of insurance coverage against unemployment. In 2010, the cessation of activity benefit (unemployment benefit for the self-employed) was introduced, but due to the low level of the benefit⁵⁴, and the difficulties of proving an involuntary cessation of activity, it is estimated that fewer than 18% of all claims are granted.

Faced with pressure from the self-employed to pay less in social security contributions, the government made contributions for cessation of activity and professional contingencies voluntary (except in the case of TRADE workers), which has led to a low level of take-up by self-employed persons. It is estimated that fewer than one-quarter pay contributions for unemployment insurance.

Another example of the lack of adjustment of contributions paid to benefits claimed is that of retirement pensions, although the coverage for this contingency is mandatory.

The 2015 reform introduced new protection measures to facilitate the transition from unemployment to self-employment. It makes receiving unemployment benefits more

⁵² This benefit is received for one year when the worker takes care of other relatives (leave for care of family members).

⁵³ Those persons who register and deregister several times a year, remaining registered for periods shorter than one year despite having worked the entire time.

⁵⁴ A benefit lasting a maximum of one year, with low payment amounts.

compatible with self-employed⁵⁵ status and allows for the capitalisation of benefit to invest in a new business.

2. Workers on non-standard contracts, characterised by low-intensity or intermittent work, are also disadvantaged in relation to social protection. The labour reform of 2012 has led to the deregulation of the labour market, which in turn fostered precariousness in employment, and a proliferation of fixed-term and part-time contracts. Such precariousness is compounded by very low wages, sometimes below the inter-professional minimum wage. As can be seen in Table 6 (Annex 2), non-standard workers, in both temporary and part-time jobs, face higher levels of in-work at-risk-of-poverty-rates than other workers. Their contribution record is also poorer than that of other workers, which leads in turn to a higher risk of out-of-work poverty.

As a result, special systems have been established within the general social security scheme for certain specific groups of non-standard workers⁵⁶, granting them some contribution advantages in relation to the general scheme. However, workers with non-standard contracts can now be found in all areas of the economy.

Table 7 (Annex 2) shows the monthly basis on which social security contributions are calculated, and the annual intensity of contributions, for the different insurance schemes. It shows that self-employed workers declared lower incomes in 2014 compared with those declared by workers in the general system (€912.55 versus €1,431.40 per month), although their contribution intensity was higher (contributing for around 87% of days in the year, compared with around 75%).

Incomes declared by workers on non-standard contracts were lower in 2014 than those of workers in the general scheme (€556.75 per month as against €1,431.40). Similarly, those in the special social security systems worked for about one-half of the year on average (48.99% in 2014), significantly below the proportion for workers in the general system (74.74%).

In summary, the positive discriminatory measures that have been taken by some social security schemes have focused on reducing social contribution payments, but have not emphasised the need to increase contribution bases and extend benefits coverage, leading to the risk of higher poverty rates among these groups in the long run.

b) Impact of possible extension of social protection coverage

To date, there have been no official studies that estimate the financial cost of extending benefits coverage to self-employed workers. The level of benefits requiring improvements should be defined, and actuarial calculations carried out, in order to relate the level of benefits to the necessary contribution bases.

One of the key points is that any improvement in benefits requires an increase in the contribution bases. In current times of crisis, and in a system where 86% of self-employed workers choose the minimum contribution base in order to pay less in contributions, it is difficult to make a substantive change to the system without a pact between affected groups, unions, government and other social agents.

c) Development of individual social security accounts

A system of notional or individual social security accounts could serve two distinct purposes. The first would merely be informative, i.e. to notify workers of the amount of

⁵⁵ It is possible to combine the receipt of unemployment benefits and self-employment for a period of nine months. It is also possible to retain the unemployment benefit while carrying out self-employed work and to reactivate it within five years in case of cessation of activity.

⁵⁶ Workers in hospitality, vegetable preserves, public opinion pollsters, tomato pickers, and agricultural workers.

contributions they have paid under various schemes, and to enable them to make estimates, for example, of their retirement pensions according to different parameters such as projected working life. A second function would be to facilitate the transition to a capitalisation system whereby pensions were calculated according to the contributions of individuals throughout their working life: in this case, the limits on the contribution bases, and thus the maximum limits of the benefits, could disappear.

In Spain, the possibility of introducing a system of notional accounts should be discussed and agreed by the different social agents that make up the Toledo Pact commission⁵⁷.

3 Conclusions and recommendations

a) Main conclusions

1. Self-employment in Spain plays a significant role in the economy, accounting for 17.6% of the total population affiliated to the social security system in the first half of 2016. Since 2008 the economic and financial crisis has resulted in an expansion in the number of economically dependent self-employed workers, and also the growing vulnerability of 'physical persons' who make up 61.4% of all self-employed workers.

Non-standard work, traditionally common in Spain, dropped dramatically during the first years of the economic crisis: however, since 2012 it has not only grown again but has also become more diverse. In 2016, workers on fixed-term contracts constituted 25.7% of all employees. Part-time workers accounted for 15.3% of all employees. A significant development worth highlighting is the increase in the number of temporary part-time contracts, particularly among women.

2. Although self-employed and employed workers are covered by two clearly differentiated social protection schemes, there has been a growing convergence in access to social benefits since 2007. Both the Self-Employed Work Statute of 2007 (further developed in 2015), and the reform of social protection for part-time workers in relation to pensions (2013), have led to a growing convergence in access to social benefits, with improved protection for the self-employed.

This convergence, however, cannot hide underlying disparities such as the income instability of some self-employed workers, and the low income of workers with temporary part-time contracts. These disparities also give rise to differences in the intensity of social protection, for example in the areas of unemployment benefits and pensions.

3. Our assessment of the coverage and adequacy of the existing social provisions for both groups allows us to highlight some significant facts.

Firstly, in the case of self-employed workers, the fact that social security contributions against the risk of cessation of business activity and professional contingencies are voluntary has entailed a clear disincentive to pay these types of contribution. In addition, the contribution basis is low, thus generating a potential problem of financial sustainability for the RETA scheme. It is currently estimated that less than one-quarter of physical self-employed workers take out unemployment insurance. It should be noted that there have been regulatory and financial improvements to facilitate the transition between unemployment and new self-employment.

⁵⁷ The commission started work on 22 November 2016 to examine the financial sustainability of the public pension system.

Low contributions to the RETA scheme, combined with fewer years of contributions, have generated pensions from the scheme that are 37% lower than those from the general scheme.

Secondly, workers with non-standard contracts are found in all sectors of production, many of them included in the general scheme. This is a consequence of the growing flexibility and precariousness of the Spanish labour market. One way of improving the situation is to eliminate special social insurance systems, and to integrate them into the general scheme, at the same time as improving the latter's levels of protection.

However, positive discrimination measures in some special schemes have focused on reducing contribution rates rather than emphasising the need to improve workers' contribution records and extend benefit coverage, leading in the long run to the risk of higher poverty rates among the groups concerned.

b) Recommendations

Based on the assessment above, some recommendations for improvement may be proposed. As a general principle, it is recommended that the social protection reforms carried out between 2007 and 2016 should be maintained, as they have been an important step forward in terms of improving and harmonising social protection, with the support of self-employed workers' organisations and the main trade unions. In addition, it is recommended that the following improvements be implemented.

Self-employed workers

It should be made compulsory for contracts signed between employers and economically dependent workers to be registered and published, and made subject to regulation. Furthermore, the financial position of the self-employed must be strengthened, as a precondition for the higher social security contributions needed to ensure the sustainability of the special scheme for this group.

The following improvements to social protection should be applied: a) bringing insurance contribution bases into line with the real income of self-employed workers; b) enabling supplementary contributions to be made at any time during the working life; c) eliminating the age limit for the choice of contribution bases (currently 47 years); d) reinstating compulsory contributions in respect of unemployment and occupational contingencies; e) extending the coverage of the cessation of activity benefit by assimilating it to that of workers in the general scheme; and (f) promoting the 'second pillar' to enable a higher retirement pension.

Non-standard workers

Special insurance systems for non-standard workers should be integrated into the general scheme; there should be a limit on the duration of temporary contracts; the high number of successive contracts should be reduced; and there should be controls on the effective working day of part-time workers.

Better social protection is needed for employees on non-standard contracts, in particular part-time fixed-discontinuous workers and domestic employees (many providing informal care for persons in situations of dependency). The social protection in respect of part-time contracts needs general improvement, as a majority of those who sign them are forced to do so.

Annex 1

Table 1: Summary Table. Access Social Protection: Self-Employed

	On her/his own account	With employees (self-employed employer)	Dependent on single client	Dependent on contractual relationship with client	Liberal professions (e.g. doctor, notary, lawyer)	Self-employed agricultural workers	Mobile traders
Healthcare - cash benefits and benefits in kind	Full	Full	Full	Full	Full	Full	Full
Sickness - cash benefits and benefits in kind	Full (1)	Full (1)	Full	Full	Full (1)	Full (1)	Full
Maternity/paternity - cash benefits and benefits in kind	Full	Full	Full	Full	Full	Full	Full
Old age pensions (preretirement benefits and pensions)	Partial (2)	Partial (2)	Partial (2)	Partial (2)	Partial (2)	Partial (2)	Partial (2)
Survivors pensions and death grants	Full	Full	Full	Full	Full	Full	Full
Unemployment benefits	Full (4)	Full (4)	Full (4)	Full (4)	Full (4)	Full (4)	Full (4)
Social assistance benefits	Full	Full	Full	Full	Full	Full	Full
Long-term care benefits	Full	Full	Full	Full	Full	Full	Full
Invalidity benefits	Full (3)	Full (3)	Full (3)	Full (3)	Full (3)	Full (3)	Full (3)

Accidents at work and occupational injuries benefits	None (5)	None (5)	Full	Full	None (5)	(5)	Full
Family benefits	Full	Full	Full	Full	Full	Full	Full

(1) IT due to common illness is compulsory for self-employed workers, but voluntary for agricultural workers. IT due to professional disease/accident at work is voluntary for self-employed workers but compulsory for TRADE and mobile traders.

(2) Access to older pensions is similar to that of workers with standard contracts (general scheme). It is possible an early voluntary retirement under specific requirements. However, for self-employed partial retirement and early compulsory retirement (due to dismissals or crisis) are not possible. The general scheme includes compulsory retirement four years before retirement age if the worker has contributed for more than 33 years.

(3) Permanent invalidity benefit is fully covered in the case of common illness. Permanent invalidity benefit by accident at work/occupational injury is only covered if the self-employed has voluntarily contribute for accident at work and IT by professional disease/accident at work, except the cases of TRADE and itinerant vendor whose contribution is compulsory

(4) It is required a previous record of voluntary contribution to cessation of activity benefit.

(5) It is required a previous record of voluntary contribution to professional contingencies.

Table 2: Summary Table. Access Social Protection: Contractual Employment (non-standard contracts)

	Full-time employee	Part-time employee	Fixed-term employee	Temporary agency worker	Casual and seasonal workers	On-call workers	Zero-hour workers	Apprentices	Paid trainees	(Other) persons in vocational/professional training	Domestic workers	Agricultural workers
Healthcare - cash benefits and benefits in kind	Full	Full	Full	Full	Full	Full		Full	Full	Full	Full	Full
Sickness - cash benefits and benefits in kind	Full	Full	Full	Full	Full	Full		Full	Full	Full	Full	Partial (1)
Maternity/paternity - cash benefits and benefits in kind	Full	Full	Full	Full	Full	Full		Full	Full	Full	Full	Partial (1)
Old age pensions (preretirement benefits and pensions)	Full	Full	Full	Full	Full	Full		Full	Full	Full	Partial (2)	Full
Survivors pensions and death grants	Full	Full	Full	Full	Full	Full		Full	Full	Full	Full	Full
Unemployment benefits	Full	Full	Full	Full	Full	Full		Full	Full	Full	None	
Social assistance benefits	Full	Full	Full	Full	Full	Full		Full	Full	Full	Full	Full

Long-term care benefits	Full	Full	Full	Full	Full	Full		Full	Full	Full	Full	Full
Invalidity benefits	Full	Full	Full	Full	Full	Full		Full	Full	Full	Full	Full
Accidents at work and occupational injuries benefits	Full	Full	Full	Full	Full	Full		Full	Full	Full	Full	Partial (1)
Family benefits	Full	Full	Full	Full	Full	Full		Full	Full	Full	Full	Full

1) Workers on Special System for agricultural employees during inactivity periods are excluded from TI protection, pregnancy and lactancy risks and professional contingencies (accident at work and occupational injuries). They are covered only during activity periods.

(2) Rules for domestic workers' retirement are the same, but less flexible, rules: early retirement, partial retirement or retirement at 64 years are not possible. Flexible retirement is possible.

Annex 2

Table 3: Self-employed workers in Spain 2008, 2012 and 2016 (1)

	2008 (Q4)			2012 (Q2)			2016 (Q2)			% Change 2008/2016
	Total	%of self- employed		Total	%ofself- employed		Total	%ofself- employed		
Total self-employed population	3,338,464			3,093,837			3,231,941			-3.2
1. Physical persons (2)	2,141,717	64.1	%over phys person	1,945,371	62.9	%over phys person	1,984,268	61.4	%over phys person	-7.3
1.1 Without employees	1,730,230		81.0	1,537,022		79.0	1,549,871		78.1	-10.4
1.2 With employees	411,487		19.0	408,349		21.0	434,397		21.9	+5.5
1.2.1 With 1 employee	218,832		10.2	219,203		11.3	226,561		11.4	+3.5
1.2.2 With 2 employees	91,600		4.3	88,939		4.6	92,739		4.8	+1.2
1.2.2 With 3 or plus e.	101,055		4.7	100,207		5.1	115,097		5.8	+13.9
2. Others self-employed workers	1,190,098	35.8	% of other self-employ	1,148,466	37.1	% of other self-employ	1,230,826	38.6	%of other self-employ	+3.4
2.1 Family worker	200,422		16.8	193,556		16.8	194,744		15.7	-2.9
2.2 Company shareholder or partner	807,399		67.6	674,225		58.8	602,453		48.3	-25.4
2.3 Company board member	146,046		12.3	228,816		19.9	374,483		30.0	+156.4
2.4 Company shareholder or partner relatives	16,731		1.4	25,251		2.2	41,104		3.3	+145.7
2.5 Religious worker	16,303		1.4	13,399		1.2	11,688		0.9	-28.3
2.6 Member of professional association	9,846		0.7	12,719		1.1	23,201		1.8	+135.6
Self-employed physical persons										
by economic sector (%)										
Agriculture			14.0			12.8			11.8	
Industry			5.5			4.9			4.5	
Construction			14.2			11.1			10.7	
Services			66.3			71.2			72.9	
by age (%)										
Less 25			2.9			1.8			1.9	
25-39			30.6			28.1			27.4	
40-54			43.5			45.3			45.5	
55 +			23.7			24.9			25.2	
by sex (%)										
Men			68.2			66.6			65.3	
Women			31.7			33.4			34.7	

% Self-employed immigrants /Total Self-employed						
%		6.6		7.4		7.8
% Self-employed physical persons combining at least two jobs						
%		4.1		4.2		4.8
% Self-employed who pay contributions to Social Security for the minimum base						
Of -total self-employed		81.7		81.7		66.9
Of Self-employ. phys. persons		83.3		84.0		86.1
Self-employed economically dependent (TRADE)/Total self-employed physical persons						
	1,968	0.09	6,663	0.3	10,250	0.5
Self-employed physical persons registered more than 5 years						
	1,173,499	%of phys. person 54.7	1,082,303	%of phys. person 56.6	1,088,587	%of phys. person 54.7

(1) Affiliation to Special Regime of Social Security for self-employed (*Régimen Especial de la Seguridad Social* or RETA).

(2) Self-employed people in the Sea Special Regime are included: 0.4% of total Special Regime of Social Security or RETA.

Source: Spanish Ministry of Employment and Social Security.

Table 4: Non standard workers in Spain by type of contract, sex and age, LFS 2008, 2012 and 2016

		2008(Q2)				2012(Q2)				2016(Q2)						
		Total (thousand)	% of employees	% by sex		Total (thousand)	% of employees	% by sex		Total (thousand)	% of employees	% by sex				
				Men	Women			Men	Women			Men	Women			
	Employees	17,037.5	100.0	55.6	44.4	14,720.3	100.0	51.9	48.1	15,187.8	100.0	52.2	47.8			
Standard	Open-ended/Permanent Employed	12,050.4	70.7	56.7	43.3	11,271.8	76.6	52.8	47.2	11,281.3	74.3	52.5	47.5			
	<ul style="list-style-type: none"> Continuous permanent employed Fixed-discontinuous employed 	11,812.7	69.3	57.2	42.8	10,998.5	74.7	53.3	46.7	10,952.3	72.1	52.9	47.1			
Non standard categories	Fixed term	4,987.2	29.3	52.8	47.2	3,448.5	23.4	48.8	51.2	3,906.4	25.7	51.2	48.8			
	<ul style="list-style-type: none"> Eventual contracted employed Apprentice, training contracts and traineeships Casual and seasonal workers Coverage of sick or maternal leaves Work or service contract workers Other categories Don't know 	827.0	4.9	47.6	52.4	662.4	4.5	47.5	52.5	759.7	5.0	53.3	46.7			
		169.0	1.0	54.2	45.8	124.8	0.8	52.5	47.5	184.0	1.2	48.4	51.6			
		301.9	1.8	46.8	53.2	272.8	1.9	53.0	47.0	285.2	1.9	55.1	44.9			
		432.6	2.5	24.3	75.7	401.8	2.7	28.8	71.2	486.8	3.2	29.2	70.8			
		1,955.9	11.5	67.3	32.7	1,330.5	9.0	57.8	42.2	1,641.5	10.8	58.1	41.9			
		677.3	4.0	36.7	63.3	380.0	2.6	33.7	66.3	291.1	2.0	36.3	63.7			
		623.4	3.7	53.7	46.3	276.2	1.9	52.0	48.0	258.2	1.7	57.2	42.8			
		Part-time workers		% of employed				% of employed				% of employed				
			2,431.7	11.8	20.5	79.5	2,606.0	14.7	24.9	75.1	2,801.1	15.3	27.7	72.3		
		<ul style="list-style-type: none"> Employed part-time <ul style="list-style-type: none"> Open ended Fixed-term 	2,067.5	12.1	18.4	81.6	2,292.1	15.6	22.7	77.3	2,584.4	14.8	26.4	73.6		
		1,111.3	6.5	14.2	85.8	1,262.5	8.6	16.7	83.3	1,396.8	8.2	19.2	80.8			
		956.2	5.6	23.2	76.8	1,029.6	7.0	30.2	69.8	1,131.7	6.6	35.3	64.7			
			% by age					% by age					% by age			
			16-24	25-39	40-59	60 and more	16-24	25-39	40-59	60 and more	16-24	25-39	40-59	60 and more		

Non standard categories	• Fixed-discontinuous employed	6.0	44.0	45.6	4.3	2.7	40.5	52.1	4.7	1.9	35.1	57.0	6.0
	• Fixed-term permanent Employed	4.7	36.1	54.0	5.1	4.2	36.6	54.0	5.2	2.3	34.3	56.4	7.0
	Fixed term	20.1	51.9	26.7	1.3	13.8	54.8	29.6	1.7	13.4	48.2	36.2	2.1
	• Eventual contracted employed	24.4	52.1	22.6	0.9	15.7	54.8	28.6	0.8	13.4	50.1	35.2	1.2
	• Apprentice, training contracts and traineeships	51.4	44.1	4.4	0.1	40.4	55.0	4.6	0.0	44.4	50.4	5.1	0.0
	• Casual and seasonal workers	22.1	46.8	29.2	2.0	16.6	49.4	30.9	3.2	18.1	41.8	36.8	3.4
	• Coverage of sick or maternal leaves	8.8	56.7	33.5	1.0	8.8	56.5	33.1	1.6	5.4	49.2	43.2	2.1
	• Work or service contract workers	16.4	54.5	28.0	1.0	12.0	56.2	29.9	2.0	11.2	47.8	38.9	2.1
	Part-time workers (open-ended or fixed term)	17.6	39.9	36.7	5.8	11.9	42.7	39.1	6.2	11.2	39.4	43.2	6.2

Source: Spanish Labour Force Survey (LFS) 2008-2016, National Institute of Statistics (INE)

Table 5: Contribution rates and bases for general scheme workers, self-employed and non-standard contracts (not including reductions on social security contributions)

	Common contingencies (1)	Professional contingencies	Unemployment/ cessation of activity (self-employed)
General scheme	Minimum base: €764.40 per month. Maximum base: €3,642 per month. Rates: 28.3% (4.7% the worker and 23.6% the employer).	Rate: between 0.65% and 3.45% depending on the type of activity (3) (the employer).	Rate: 7.05% (1.55% the worker; 5.50% the employer).
Self-employed			
RETA	Minimum base (2): €893.10 per month. Maximum base: €3,642 per month. Rates: <ul style="list-style-type: none"> • 29.8% (with temporary incapacity (TI) due to common contingencies). • 26.50% (without TI). 	Rate (voluntary): between 0.65% and 3.45% depending on the type of activity (the employer).	Rate: 2.20% (voluntary)
Self-employed agricultural workers	Minimum base: €893.10 per month. Maximum base: €3,642 per month. Rate: 18.75%-26.50% depending on the chosen contribution base. Temporary incapacity (TI) due to common contingencies is voluntary. Type (voluntary): 3.3% (or 2.8%) (4)	Rate (voluntary): between 0.65% and 3.45% depending on the type of activity (the employer).	Rate: see (4).
TRADE	The same contribution bases as RETA (5). Rate: 29.8% (includes TI due to common contingencies: it is compulsory).	Rate (compulsory): between 0.65% and 3.45% depending on the type of activity (the employer).	Rate: 2.20% (voluntary).
Mobile traders	Minimum base lower than RETA (optional among €491.10, €764.40 or €893.10 per month). Rate: 29.8% (includes TI due to common contingencies: it is compulsory)	Rate (compulsory): between 0.65% and 3.45% depending on the type of activity (the employer).	Rate: 2.20% (voluntary).

Non-standard contracts			
Full-time contract	Contribution bases: The same as general scheme (€764.40 -€3,642 per month). Rates: The same as general scheme (28.3%:4.7% the worker and 23.6% the employer).	Rate: between 0.65% and 3.45% depending on the type of activity (only the employer)	7.05%
Fixed-term contracts	Contribution bases: The same as general scheme (€764.40-€3,642 per month) Rates: The same as general scheme (28.3%:4.7% the worker and 23.6% the employer) (6).	Rate: between 0.65% and 3.45% depending on the type of activity (only the employer)	8.30% (7)
Part-time contracts	The minimum contribution bases are established on an hourly basis (between €4.6 and €6.43 per hour depending on the professional category) (8). Rate: 28.3% (4.7% the worker and 23.6% the employer).	Rate: between 0.65% and 3.45% depending on the type of activity (only the employer)	7.05%
Apprentices and paid trainers contracts	Minimum base: €764.40 per month. A fixed contribution of €€37.16 per month (€6.18 the worker and €30.98 the employer).	A fixed contribution of €4.26 per month (the employer)	A fixed contribution of €53.89 per month (€42.04 the employer; €11.85 the worker)
Domestic employees	The contribution bases are determined by tranches according to the daily remuneration received (9). Rates: 25.6% (10) (4,25% the worker and 21.35% the employer).	1.10% for professional contingencies (only the employer)	No contribution for unemployment
Agricultural employees	Periods of activity: Contribution bases: The same as general scheme. Rates: between 28.3% and 22.45% (paid by the worker and employer). Periods of inactivity (11): Contribution base: €764.40 per month. Rate: 11.5% (only the worker)	Rate: between 0.65% and 3.45% depending on the type of activity (only the employer)	7.05% in full-time contacts 8.30 in fixed-term contracts

(1) Contributions for common contingencies, except cases such as self-employed agricultural workers, are compulsory and include: Temporary incapacity (TI) due to common contingencies, old-age and survivors' pensions, family benefits, pharmaceutical coverage, healthcare benefits in kind, maternity, paternity, risk during pregnancy and risk during breastfeeding.

(2) Further details on contributions according the type of activity at <https://goo.gl/ElqDes>

(3) Those over 47 who must pay contributions above the minimum base. Self-employed workers who have hired 10 or more employees have a higher minimum contribution base (€1,067.40 per month).

(4) 2.8% if it is also covered by the protection system for cessation of activity.

(5) For the TRADE, the differentiated contribution bases set out in Article 25 of Law 20/2007 have not yet been regulated.

(6) The employers contributions for common contingencies in fixed-term contracts of less than 7 days are 36% higher than in the case of full-time contracts (except for agricultural employees).

- (7) Except in trainee, relief or interim contracts or contracts involving workers with disabilities, which are the same as for full-time contracts (7.05%).
- (8) The minimum monthly contribution base is the number of hours worked per month for these minimum hourly bases. Article 37 of Order ESS/70/2016, of 29 January.
- (9) Further details at <https://goo.gl/3VXYpf>.
- (10) It will increase by 0.9 per cent annually until 2018. In 2019, they will be the same as under the general scheme.
- (11) A period of inactivity is considered as the sum of actual working days below 76.67% (approximately 23 days) of the working days in a natural month. Periods of inactivity include economic benefits for maternity, paternity, permanent incapacity, death and survival, common contingencies, as well as retirement. Temporary incapacity, risk during pregnancy, risk during breastfeeding and professional contingencies are excluded. Further details at <https://goo.gl/TFIHsk>

Source: Based on 2016 Guide to Contributions (<https://goo.gl/nclWqK>)

Table 6: Poverty indicators related with self-employment and non standard workers in Spain, 2008-2015

	2008	2009	2010	2011	2012	2013	2014	2015
People at risk of poverty or social exclusion by most frequent activity status (population aged 18 and over)								
Employees	:	11.5	10.7	10.8	11.2	11.0	12.7	13.2
Employed persons except employees	:	25	24.8	23.5	24.2	22.7	26.5	27.5
At risk of poverty rate (cut-off point: 60% of median equivalised income after social transfers)								
Employees	:	9.4	8.4	8.7	8.7	8.2	9.9	10.4
Employed persons except employees	:	24.2	24.3	22.9	22.3	21.7	25.5	26.2
Severe material deprivation rate by most frequent activity status (population aged 18 and over)								
Employees	:	3.3	3.4	2.7	3.4	3.7	4.3	4.1
Employed persons except employees	:	2.6	1.4	1.2	3.2	2.1	2.5	2.1
In-work poverty								
In-work at-risk-of-poverty rate by type of contract - EU-SILC survey								
Employees with a permanent job	6	6	5.5	5.4	5.4	5.4	5.9	5.9
Employees with a temporary job	21.2	17.8	15.2	15.9	17.6	17.5	22.9	23.3
In-work at-risk-of-poverty rate by full-/part-time work - EU-SILC survey								
Full-time	9.4	9.6	9.2	9.3	8.7	8.9	10.2	10.3
Part-time	22.2	21.1	19.3	19	21.2	18.7	22.9	27.1

Source: EU-SILC 2009-2015 (EUROSTAT). Data of income related to the previous year

Table 7: Monthly contribution basis to social security (euros) and intensity of contribution related to working days

	2014		2013	
Social security schemes	Monthly average wage (euros) (Annual basis/12)	Intensity of contribution (total contribution days/365)	Monthly average wage (euros) (Annual basis/12)	Intensity of contribution (total contribution days/365)
General scheme	1,431,40	74,74%	1,422,11	75,22%
General scheme: special systems	556,75	48,99%	531,28	48,49%
Special scheme for self-employed workers	912,55	87,18%	878,26	86,62%

Source: Continuous Sample of Working Lives (Muestra continua de vidas laborales) (2013-2014). Spanish Ministry of Employment and Social Security.

References

- Barnard, C. and Blackham, A., *The implementation of Directive 2010/41 on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity*, European Commission, Directorate-General for Justice and Consumers, 2015, available at: <https://goo.gl/q7u0n7>
- Escobedo, A., Meil, G., and Lapuerta, I., 'Spain country note', Moss, P. (ed.) *International Review of Leave Policies and Research*, 2016, available at: <http://goo.gl/Y6tU2L>
- European Parliament, *Social protection rights of economically dependent self-employed workers*. Study, 2013, available at: <https://goo.gl/qZH2C6>
- Fondeville, N., Özdemir, E., Lelkes, O., and Ward, T., *Recent changes in self-employment and entrepreneurship across the EU*, Research note no. 6/2015, European Commission, 2015, available at: <https://goo.gl/sj7MuY>
- González-Gago, E. and del Río Hernández, F., *Social Pillar- Quantifying atypical employment in the EU Member States. Spain*. European Commission, May, 2016.
- Matsaganis, M., Özdemir, E., Ward, T. and Zvakou, A., *Non-standard employment and access to social security benefits*, Research note 8/2015, European Commission, 2015, available at: <https://goo.gl/7zTdOr>
- Mella Mendez, L. The Transposition of Council Directive 99/70/EC of 28 June 1999 on Fixed-term Work into Spanish Labour Law: Some Critical Aspects following the 2011 and 2012 Reforms, *E-Journal of International and Comparative LABOUR STUDIES* Volume 1, No. 1-2 March-June 2012, available at: <https://goo.gl/qdnTmw>
- MEYSS, Spanish Ministry of Employment and Social Security, *Anuario de Estadísticas del Ministerio de Empleo y Seguridad Social, 2016*, available <http://goo.gl/vhPYAn>.
- MEYSS, Spanish Ministry of Employment and Social Security, *Boletín Estadísticas Laborales del Ministerio de Empleo y Seguridad Social, September, 2016*, available at: <https://goo.gl/DGwkaR>
- MEYSS-SEPE, Spanish Public Employment System, *Guía de contratos, 2016*, available at: <https://goo.gl/dos17m>
- MEYSS-SSS, Spanish Social Security, *Guía COTIZA, Guía de cotizaciones, 2016*, available at: <https://goo.gl/nclWqK>
- Panizo-Robles, J.A., *Las nuevas reglas de Seguridad Social para los trabajadores contratados a tiempo parcial*, CEF-Laboral Social, 2013, available at: <https://goo.gl/OeWoRL>
- Riesco-Sanz, A., 'Trabajo, independencia y subordinación. La regulación del trabajo autónomo en España', *Revista Internacional de Sociología*, 74 (1), 2016, doi: <http://dx.doi.org/10.3989/ris.2016.74.1.026>

Legislative references

- Law 18/2007, of 4 July, on integration of agricultural workers into the Special Scheme of Self-Employed workers. <https://goo.gl/yG2vHM>
- Law 20/2007, of 11 July, on the Self-Employed Workers' Statute. <https://goo.gl/hWzpkP>
- Law 14/2013, of 27th September on support for entrepreneurs and internationalisation.
- Law 31/2015, of 9th September, which modifies and updates the regulations on self-employment and adopts measures to promote and stimulate self-employed work and the social economy. <https://goo.gl/TsNTCL>

Law 47/2015, of 21th October, on regulation of social protection of Sea sector workers
<https://goo.gl/wO1V0V>

Royal Decree-Law 10/2011, of 26 August, on urgent measures to promote youth employment, foster job stability and maintain the retraining programme for people who exhaust their unemployment protection.

Royal Decree-Law 1/2015, of 27 February, on second-chance mechanism, reduction of financial burden and other measures of social order.

Royal Decree 197/2009, of 23 February, on development of Self-Employed Statute related to TRADE contracts and "agreements of professional interest" <https://goo.gl/V3dgJI>

Royal Decree 11/2013, of 2 August, on the social protection of part-time workers and other urgent social measures.

Royal Decree 8/2015, of 30 October, General Law on Social Security.
<https://goo.gl/Ov6lnW>

